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**Hocking, Wendy A - Washington, DC**

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**From:** Owens, Sharon - Washington, DC  
**Sent:** Friday, August 26, 2011 5:23 PM  
**To:** LaChance, Susan M - Washington, DC; Williams Jr, David E - Washington, DC  
**Subject:** FW: Consolidated Industry feedback from August 18, 2011  
**Attachments:** MAILING INDUSTRY FEEDBACK.doc

Attached is the consolidated feedback from the August 18, 2011 MTAC general and breakout sessions. The process executed by Industry Engagement & Outreach (IEO) was that each breakout session postal team consolidated the feedback materials into a single document and emailed a copy of the final to their industry co-facilitator to obtain concurrence.

Finally, after obtaining each industry co-facilitator's concurrence, IEO consolidated the feedback from each session into a single document representing a high-level of all of the feedback that was captured from all of the sessions.

The attached reflects that effort; identifying the level of concern and prioritization for each feedback item, and will be emailed to the MTAC membership on Monday, August 29, 2011.

## MAILING INDUSTRY FEEDBACK: AUGUST 18, 2011, MTAC BREAKOUT SESSIONS

At a high-level, two critical points were stressed as primary concerns in the general session, and in all of the breakout sessions:

- A deep concern for the USPS ability to simultaneously manage the scope of the proposed significant changes during the transition period and when the changes are in effect, along with the potential addition of 5 day delivery implementation and bottlenecks due to plant closings; particularly during peak times and the Fall/Holiday mailing season
- A critical industry need for the USPS to be held accountable and provide assurance to it's customers that it can accurately and dependably communicate updates to the overall planned changes; particularly all of the service standards impacts and labeling lists updates resulting from the changes

The following are key concerns that were voiced during the breakout sessions; with each heading listed according to the frequency and level of concern with which it was raised. The sub-topics represent the variations in which each concern surfaced, but still share the common area of concern.

### Communication:

- Will the USPS communicate their proposed plans regarding 5 day delivery and Plant and BMEU closings to the mailing industry and mail owners in a concise and clear manner and how will they communicate this message? Will there be an Implementation Readiness Team in place?
- Is the USPS going to initiate a website so information is easier to find? We suggest a dedicated website that talks about the proposed plant closings, 5 day delivery or any issue that impacts the mailing industry. This will force regular dialog with the industry. A central collection point for all of the people of the field. This way they can validate what the industry is saying.
- An MTAC group or user group that meets weekly or twice a week to determine the impacts and implementation. We do not want a one way conversation – we want a dialog.
- We propose that information be communicated in the same manner as the FSS was communicated by Rosa Fulton. We found that to be valuable and beneficial.

- We need a timeline. When do these things happen? We need specifics. Will it be a gradual transition? Is it going to be an 18 month change like the NDC changes? That makes for an aggressive timeline. If changes are made close to or during the fall mailing season, this will complicate our business. We (industry) are all distracted in the fall and cannot properly evaluate it.

#### Service Standards:

- Plant closings and the possibility of a 5 day delivery may have a negative impact on service standards. Will there be new service standards meeting government regulations regarding insurance and banking laws where the responses are of a time sensitive nature.
- The USPS will be undergoing major changes at one time that will impact the mailing industry. How will the USPS be prepared to make this a seamless transition for major mailers and the mail owners and still maintain the level of service we expect and currently receive?
- With the plant closings we may see service standard changes in either all or specific classes of mail. Has the USPS determined what these standards may be if in fact they are impacted by the closings?
- We will have plant changes which will impact service standards; changes in CETs, BMEU closings and 5-day delivery. The total impact of all four on a large group of clients, many of whom can't even fathom what it means? The USPS needs to explain very carefully to the industry and determine the total impact and how much business the USPS could lose from this?

#### Costs/Rates/Drop Ship

- Depending on the changes. We have customers with time sensitive pubs, catalogs, direct mail – do we need to utilize more binding lines, more destinations for printing? Hard decisions are being made and if they involve costs – like a pricing change. Customers will be impacted. And some may move to alternate delivery. The USPS needs to be more specific about information and costs.
- Will the NDC, SCF and DDU structure still exist once the plant closings commence?

- If tiered NCF/SCF rates no longer exists. Will the drop ship concept go to a zone drop ship? And we need to know the price structure difference between drop ship and zone ship.
- We may be able to saturate more of the network because of densities for drop ship, etc, less separations and more mail deeper into the system. Are we still required to make the same separations?
- Will a HUB structure still exist to maintain induction/consolidation for drop shipments?
- How will plant closings impact drop ship times? Will there be 24 hour acceptance in all plants or at least for those areas that have higher volumes?
- Will First Class mail be included as a drop ship option?
- Will there be enough FAST appointments to accommodate drop ships?

#### BMEU/Acceptance

- Distribution of the processing – we currently use the BMEU for our mailing decisions. With the reduction in processing facilities, is that going to be a local decision? The level of interaction locally? The BMEU is the resource we use before we take it to acceptance. What about support for issues we have? Those people are in the plants and if the plants are gone, so are the BMEU personnel. Before the mail is physically moved. What are our BMEU resources?
- The USPS could lose a lot more than anyone anticipates as this affects how people are going to make their mailings. From a service provider perspective, maybe you don't have extra binding lines and then you lose the work. Is there an overall plan that takes into consideration all of these issues? Critical Acceptance Times. Misinterpreting a CAT as a CET and closing their doors. They have to stay open later. We need flexibility in acceptance times

#### Dock Space

- With the proposed plant and BMEU closings, dock congestion, staging space and yard space at BMEUs and DDUs may be one issue due to

greater volumes being entered. Especially in Metro areas. What is the USPS plan to counter the congestion?

#### Periodicals

- Regarding Periodicals: The daily newspapers have been accustomed to same day delivery; "Old news is not news" We need a clarification for the potential of losing overnight delivery for this class of mail in this industry. Will there be any overnight delivery or just service standards? This will have an impact on weekly/daily Periodicals and remittance mailers. Also will the loss of plants result in the loss of In-County pricing.